

**OPENING STATEMENT OF REP. SUE KELLY  
CHAIRWOMAN**

**SUBCOMMITTEE ON OVERSIGHT AND INVESTIGATIONS**

**"Divesting Saddam: Freezing, Seizing, and  
Repatriating Saddam's Money to the Iraqis"**

**May 14, 2003**

Over the last 20 years, Iraq and its people have been systematically looted by the brutal tyranny of Saddam Hussein. Today, tens of billions of dollars in assets and cash lies somewhere outside of Iraq in the smoky depths of phony front companies, hidden trusts, and cash accounts in the names of regime family members and loyalists. This stolen money represents another layer of destruction and deceit that the Hussein regime inflicted on the Iraqi people.

I specifically recall the reaction of an Iraqi who stormed one of many presidential palaces on April 14<sup>th</sup> and was finally free to express his feelings. As he passed shards of crystal from chandeliers and shattered mirrors, the countryman marveled bitterly at Saddam's life of luxury and commented that his family couldn't even afford bread.

The Iraqi people have suffered enough, and this money belongs to them. These assets must be found and returned to the people of Iraq to build schools, reopen businesses and hospitals, and repair the country's infrastructure – all of it destroyed by the malicious neglect of a tyrant and his inner circle.

Today, the Oversight and Investigations Committee holds the first Congressional hearing on the search for Saddam's money, and the efforts to return it to the Iraqi people.

Initial press reports are startling, with stories of shell companies in numerous countries, discoveries in Iraq of hundreds of millions in U.S. dollars, and oil smuggling schemes that are without parallel among other petty dictators and thugs.

Passage of this Committee's work on the PATRIOT Act has been a tremendous step toward monitoring the flow of illicit money, and it has also served to raise the bar for the international community. Foreign financial institutions can no longer seek access to the U.S. market without providing U.S. financial enterprises with sufficient information to determine that no one is being misled by Saddam, his family, or their agents. Our message to the world is straightforward and should be heeded: the willingness to share cross-border information is now a license required to do business in America. In case you missed that – let me repeat: the willingness to share cross-border information is now a license required to do business in America.

We have accomplished a great deal in Iraq in a very short time. President Bush has been steadfast in his resolve to end the tyranny, terrorism, and torture. The Administration, our brave soldiers, sailors and coalition troops have earned the

admiration of the American people, and the world for the rapid liberation of a terribly oppressed nation – a nation that spent its money funding, aiding and exporting terrorism, instead of caring for its people.

Congress must continue to give the Administration the resources it needs to locate and return this money to its rightful owners: the men, women and children of Iraq. While a collaborative effort is underway to seize this money, let's be very clear: America expects nothing less than the highest level of cooperation from financial institutions, international entities and foreign governments across the globe. We know the money is out there, and we will find it and return it. We expect others to do the same.

We are pleased to have with us today, witnesses from the three principal Departments responsible for efforts to repatriate this money to the Iraqi people. At this time, it is unclear what role each entity plays in this process. I am hoping that you can shed some light on how the United States government works with the international community and the financial services industry to repatriate financial assets of dictators.

The Committee also has an immediate interest in determining how entities across the world are working together to return Saddam's illegal money to the Iraqi people. Therefore, I would also like to announce our request for GAO to study these issues. Chairman Oxley and I, along with ranking members Frank and Gutierrez, agree that this issue must be examined as closely as possible, and we will be sending a letter this afternoon. There are many challenges ahead, and we believe that this independent investigation by GAO will help to address them in a comprehensive and effective manner.

I thank you for your appearance and look forward to working with you to ensure that the Iraqi people recover assets they now own and that will be critical to building a free and democratic Iraq.